

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 75** HLS 26RS 619

Bill Text Version: **ENROLLED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: June 2, 2026	1:45 PM	Author: JACKSON
Dept./Agy.: Gaming Control Board		Analyst: Mimi Blanchard
Subject: Promotional Play Deductions		

GAMING EN -\$574,627 GF RV See Note Page 1 of 2
Provides for the allowable amount of promotional play offered by certain gaming operators and for deductions regarding promotional play

Current law provides for a deduction of up to \$5 M in promotional play wagers from gaming proceeds and gross revenue for riverboats, racetrack slots and the land-based casino. The deduction must be directly attributable to promotional play.

Proposed law creates a pilot program from July 1, 2026, to June 30, 2027, for racetrack slots, in which they may claim a deduction up to \$7 M in promotional play wagers from gaming proceeds and gross revenue for racetrack slots. Proposed law provides that the additional \$2 M in promotional wagers is not eligible for transfer to other licensees or casino gaming operators as provided for by Act 258 of the 2026 RS. Proposed law requires a comprehensive report outlining any additional net slot machine proceeds directly attributable to the enhanced promotional play for the period of July 1 through December 31, 2026, and the impact on the collection and disposition of fees and taxes on credits deposited into local funds be provided to the Gaming Control Board, Senate Committee on Judiciary B, and the House Committee on Administration of Criminal Justice no later than March 1, 2027. Proposed law requires that no subsequent local dedications outlined in R.S. 27:393.2 Subsections B and C shall receive an amount less than received during FY 26. Effective July 1, 2026.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$280,816	\$0	\$0	\$0	\$0	\$280,816
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$280,816	\$0	\$0	\$0	\$0	\$280,816
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	(\$574,627)	\$0	\$0	\$0	\$0	(\$574,627)
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	(\$8,375)	\$0	\$0	\$0	\$0	(\$8,375)
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	(\$583,002)	\$0	\$0	\$0	\$0	(\$583,002)

EXPENDITURE EXPLANATION

Proposed law will decrease SGF revenue from racetrack slots that would have otherwise been subsequently dedicated from SGF into several statutory dedications by approximately \$280,816 in FY 27, however; proposed law requires that no subsequent local dedications outlined in La R.S. 27:393.2 Subsections B and C shall receive an amount less than received during FY 26. Therefore, the treasurer will be required to make an SGF transfer in the amount of \$280,816 in FY 27 in order to fully fund each dedication. The amounts per dedication that will be required are listed on page 2.

EXPENDITURE EXPLANATION CONTINUED ON PAGE 2.

REVENUE EXPLANATION

Based on FY 25 racetrack slot machine collections of \$48.2 M and weighted average gaming fees of 18.5%, DPS estimates that the deduction of promotional play wagers subject to the increased cap in proposed law would reduce state gaming revenue by approximately \$567,715 in FY 27. These estimates reflect the value of promotional wagers deducted from gross revenue for state tax and fee purposes, which is projected at \$5.4 M in FY 27. The bill provides for no carryforward of promotional play deduction so the note assumes all deductions are taken when available.

Scaling this aggregate approach to the official state revenue forecasts of gaming receipts (adopted 5/08/26), the loss of state gaming receipts attributable to the bill is estimated at \$583,002 in FY 27, with approximately 67% of the loss associated realized in SGF (\$574,627), and approximately 33% associated with the Compulsive and Problem Gaming Fund (\$8,375). Approximately \$280,816 of the SGF decrease attributable to racetrack slot machines are ultimately distributed to individual track-related statutory dedications. Because proposed law requires these dedications to receive an amount no less than what they received in FY 26, revenue to these dedications will remain unchanged, however other MOF (assumed to be SGF) will be required to make them whole (see expenditure explanation above).

REVENUE EXPLANATION CONTINUED ON PAGE 2.

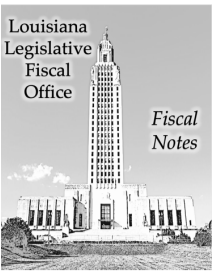
Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Alan M. Boxberger

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CONTINUED EXPLANATION from page one:
EXPENDITURE EXPLANATION CONTINUED

List of SGF expenditures required to fully fund each statutory dedication listed below at it's FY 26 level:

	FY 27
Calcasieu Parish Fund*	\$ 14,064
Bossier Truancy Program Fund	\$ 14,150
Orleans Parish Excellence Fund	\$ 10,449
Beautification and Improvement of N.O. City Park Fund	\$ 77,592
Greater New Orleans Sports Foundation	\$ 41,716
New Orleans Sports Franchise Assistance Fund	\$ <u>122,846</u>
Total	\$280,816

*Monies in the Calcasieu Parish Fund are dedicated approximately 60% to the Calcasieu Parish School Board, 30% to McNeese State University, and 10% to Southwest Louisiana (SOWELA) Technical Institution. The amounts shown below represent the difference that would be made up to each entity out of the Calcasieu Parish Fund to make each entity whole in respect to the amounts received in FY 26.

	FY 27
Calcasieu School Board	\$8,438
McNeese State University	\$4,219
SOWELA	\$1,406

REVENUE EXPLANATION CONTINUED

***Note: While proposed law provides that the additional \$2 M in promotional play may not be transferred to other licensees or or casino gaming operators as provided for by Act 258 of the 2026 RS, any transfer of the existing \$5 M promotional play may change the impact of the fiscal note by an indeterminable amount.**

It is possible that increasing the cap on promotional play deductions from the tax base would encourage more use of it by the industry, and attract more taxable play. The fiscal note makes no assumption about increased play due to promotional wagers.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
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House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
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